years), banks, at the request of NFDC, may also consider extending credit for production of films in participation with NFDC. This would be an additional channel for extending credit to the film industry. The detailed modalities in this regard (including security cover) may be worked out mutually by banks and NFDC.

4.2 Banks may also consider providing reasonable credit facility to NFDC taking into account usual safeguards observed while taking credit exposure.

Central India Pipeline Project

*509. SHRI SOLIPETA RAMACHANDRA REDDY : Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state :

(a) the details of the Central India pipeline planned for evacuation of petroleum products from refineries in Gujarat to feed the various consumption zones in the Central India; and

(b) in what manner the projects would be financed and the target for commissioning the pipeline ?

THE MINISTER OF PETROLEUM AND NATURAL GAS (SHRI RAM NAIK) : (a) Petronet India Limited through its joint venture company, Petronet Central India Limited, propose to lay a pipeline for evacuation of petroleum products of Jamnagar refinery of Reliance Petroleum Limited, Vadinar Refinery of Essar Oil Limited and Vadodara Refinery of Indian Oil Corporation to feed various consumption zones in Central India. Phase-I would include 1,458 km. long pipeline and would cover Sikka/Vadinar-Rajkot-Koyali-Ratlam-Kota-Indore-Itarsi-Nagpur.

(b) The Central India Pipeline Project envisages financing arrangement on Build, Own, Operate and Transfer (BOOT) basis. The proposed target date for completion of phase-I of the project is December, 2003.

Facilities to foreign investors

*510. SHRI C.O. POULOSE : Will the Minister of COMMERCE AND INDUSTRY be pleased to state :

(a) whether the comfort level for foreign investors have been raised to the highest level to attract foreign investors; and

(b) if so, the various facilities that are being provided to foreign investors, sector-wise ?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (DR. RAMAN) : (a) and (b) The Government have put in place a transparent and investor friendly Foreign Direct Investment (FDI) Policy to enhance the comfort level of foreign investors. The salient features of the FDI policy are as follows :—

(i) Most activities have been placed on the automatic route for FDI upto 100%.

(ii) The Reserve Bank of India (RBI) have issued a general permission under Foreign Exchange Management Act (FEMA), whereby foreign investors can make inward remittance of funds and receive share certificates without prior approval of RBI subject to notifying RBI about remittance of funds and export of share certificates within 30 days of such transactions.

(iii) Only a few sectors such as telecom, banking, domestic airlines, atomic minerals, defence industry, insurance, broadcasting and satellite operations have ceiling on foreign equity participation based on strategic considerations.

(iv) FDI proposals requiring Government approval are considered by Foreign Investment Promotion Board (FIPB) keeping in view a time frame of 30 days for communicating Government decision.

(v) Guidelines for the consideration of FDI proposals by FIPB been duly notified.

(vi) Sector specific guidelines for FDI have also been duly notified.

(vii) Original investment as also returns on investment are fully repatriable.

(viii) Payment of lumpsum fee for technical know-how and royalty on domestic sales and exports upto prescribed limits has been placed on the automatic route.

(ix) The Foreign Investment Implementation Authority (FIIA) has been set upto facilitate speedy implementation of FDI projects.